

Blumenauer says corporate incompetence should not be rewarded with taxpayer dollars

Washington, DC – Today, Rep. Earl Blumenauer (D-Ore.), a member of the House Ways and Means Committee, joined colleagues in introducing H.R. 1586. This bill would tax bonuses paid by companies that receive over \$5 billion in TARP funds at a 90 percent rate effective January 1, 2009.

Rep. Blumenauer, who yesterday announced a similar bill, today became an original co-sponsor of this bill. His statement is below.

“After what these executives have done to their companies, the economy, and the savings of everyday Americans, we can’t afford to allow them to be rewarded with taxpayer dollars for their so-called brilliance. Funds provided under the TARP Program were intended to provide stability to the financial system, to prevent further pitfall, not to pad the pockets of corporate executives with bonuses for being bad at their jobs.”

“Across the nation unemployment is at an all time high, and in my home state of Oregon it’s even worse. If these firms insist on enforcing contracts that reward such reckless incompetence, then Congress should pass this tax to block these bonuses and make the American taxpayers whole. I am proud to join my colleagues in imposing stiff taxes on these bonuses.”

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